

WISCONSIN WORKS (W-2) CONTRACT AND IMPLEMENTATION (C&I) COMMITTEE

201 E. Washington St., Room D203
Madison, WI

February 21, 2003
10:00 AM - 2:00 PM

MINUTES

The W-2 Contract and Implementation Committee is the single point of contact for feedback to the Department of Workforce Development (DWD) on policy implementation related to W-2 agencies, and includes representation from the Wisconsin County Human Service Association (WCHSA), Urban Caucus counties, W-2 private agencies in Milwaukee County and the balance of state, and Tribal W-2 agencies.

COMMITTEE:

Members (Present = X)

Alternates (Present = X)

X Nancy Buckwalter, Co-Chair	DWD/DWS	X Carmen Rivera	OIC-GM
X Teresa Pierce Co-Chair	Workforce Connections	X Neil Naftzger	YW Works
X Phyllis Bermingham	Marathon Co.		
Doris Green	OIC-GM		
X Liz Green	Dane Co.		
X Connie Hendries	Manitowoc Co.		
X Deb Hughes	Southwest Consortium		
X Ed Kamin	Kenosha Co.		
X Shirley Kitchen	Dodge County		
X Tina Koehn	UMOS		
X Kathi Madsen	Douglas Co.		
Barb Metoxen	Oneida Nation		
X Tom Prete	Forward Service Corp.		
X Marilyn Putz	Kaiser Group		
X John Rathman	Outagamie Co.		
X Terri Rapp	Wood Co.		
Rita Renner	YW Works		
X Shirley Ross	LaCrosse Co.		
X Jerry Stepaniak	MAXIMUS		
Cindy Sutton	Rock Co.		
X Michael VanDyke	Door Co.		

DWD

ATTENDEES:

Nancy Beale, DWS/ASD
Rita Black-Radloff, DWS/BWP
Connie Colussy, DWS/BWP
Roberta Gassman, DWD/SO
Jane Kahl, DWS/BWP
Joan Larson, DWS/BDS
Gerri Mayhew, DWS/BPS
Pat McDonnell, DWS/AO
Jude Morse, DWS/BPS

Barbara Murphy, DWS/BWP
Lee Mutchler, DWS/ASD
Lucia Nunez, DWD/SO
Joanna Richard, DWD/SO
Mary Rowin, DWS/AO
Paul Saeman, DWS/BWI
Madelyn Scheer, DWS/BWI
Edie Sprehn, DWS/BPS
Mary Tremain, DWS/BDS
Chris Williams, DWS/BWP

GUESTS:

Bob Anderson, Legal Action
Ray Anthony, OIC
Linda Brandenburg, YW Works
Beth Lyden, Workforce Connections
Carol Medaris, WI Council on Children & Families
Jennifer Noyes, Hudson Institute

Lisa Omen, Forward Service
Karyn Rotker, ACLU
John Scheer, OIC
Joanne Simpson, DHFS
Shawn Smith, Hudson Institute
Rebecca Swartz, Forward Service Corp.
John Wilberding, MAXIMUS

RECORDER:

Amy Bradley, DWS/BPS

Introductions

W-2 C&I Committee members, alternates, DWD attendees and guests introduced themselves.

Minutes Approval

Changes to December minutes suggested previously by Karyn Rotker were discussed. Michael Van Dyke made a motion to approve as amended, seconded by Ed Kamin. Approved unanimously.

No changes were suggested for the January minutes. Tom Prete made a motion for approval, seconded by Michael Van Dyke. Approved unanimously.

Contract Issues Subcommittee – Ed Kamin

The Subcommittee has been meeting via conference calls. They are preparing a document on recommended contract changes related to contract requirements.

Program and Policy Development Subcommittee – Deb Hughes

Two documents were distributed. One document was an updated membership list. Deb stated that the Subcommittee seeks members from the Milwaukee agencies. Jerry Stepaniak, MAXIMUS, will be resigning from the Subcommittee due to work conflicts and that leaves one representative from Milwaukee on the Subcommittee. The Subcommittee meets immediately following the C&I Committee meeting, and they also have one conference call per month. The other document distributed was an updated list of Current Issues and Tasks.

Performance Standards Subcommittee - Tom Prete

The Subcommittee is anticipating final figures for Right of First Selection (RFS) from DWD. Jane Kahl stated that March 3rd is the target date for distribution of preliminary RFS results. However, due to modifications in the formal assessments and educational attainment performance standards, additional time may need to be given to agencies to respond to the changes, and for DWD to review them.

Another issue the Subcommittee has been discussing related to Contingency Fund. DWD sent a request to the Joint Finance Committee for approximately \$17 million from the Contingency Fund for Milwaukee agencies.

Mary Rowin summarized the memo dated February 21, 2003 titled "Proposed Modifications to the W-2 Performance Standards". The memo includes modifications that were approved by Secretary Gassman.

A question was raised concerning the DWD review of the educational attainment standard and how agencies will be/ have been notified. Jane Kahl clarified that affected agencies have already been notified. The agencies have been given an opportunity to provide a response stating why they believe their Client Assistance for Reemployment and Economic Support System (CARES) entries are correct. DWD will review the responses and examine policy to determine if the CARES entries are correct based on policy. Then additional notification will be given to the affected agencies. Jane provided two examples of incorrect entries that she was finding: soft skills training and test-taking were being entered as educational attainment.

W-2, Income Maintenance (IM), Food Stamp Employment and Training, and Child Care Coordination Subcommittee – John Rathman

The Subcommittee meets immediately before the C&I Committee meeting. The Subcommittee's discussion today was focused on budget issues, specifically the news from DHFS concerning the centralization of all Medical Assistance cases which will result in county agencies receiving significant decreases in IM allocations. This will be discussed at an upcoming WCHSA meeting. John will update C&I members on any developments.

John discussed and distributed an initial draft of concerns that WCHSA put together in coordination with the Wisconsin Counties Association recommending the transfer of childcare administration to the Dept. of Health and Family Services (DHFS). They will add any comments from today's C&I meeting and comments from others.

Random Moment Sampling (RMS) will be discussed at a meeting scheduled for March 19th from 10:00-3:00. Discussion also will include the Random Moment Time Study and Community Based Medicaid Administrative

Claiming. John discussed concerns about using RMS as a cost reimbursement program. One concern is about supervisory and management time for W-2 being higher than for IM programs. The concern is if it is allocated based on total staff time, it won't be representative of actual time, and agencies will lose federal dollars. Another concern is from a full time employee perspective, employees have to be assigned in one program area, not percentages of multiple programs. The concern is this is not representative of actual time. An additional concern is if an agency doesn't operate a certain program, but they are in a group with agencies that do operate that program, time that is allocated to that program is lost time for the agency that does not operate it. The agency cannot be reimbursed for that time. Currently, the Community Aids Reporting System (CARS) reports are being used for reimbursement for the first three months of 2003. WCHSA has made a request to have this extended for the entire year for comparison purposes. Final decisions on RMS have not been made yet.

Secretary Gassman's Report

Secretary Gassman stated that she is proud to be in DWD. All of the programs DWD works with have a direct impact on participants' lives, and W-2 clearly has a direct impact. The big picture goal for W-2 right now is to run the program as efficiently as possible, and to provide efficient services to help participants move into unsubsidized work. She would like to work toward eliminating any red tape for participants and agencies. If there are any specific barriers to this, she wants to know about them and hear concerns from stakeholders. She hopes to continue an ongoing, cooperative dialogue at these meetings and at other meetings. Secretary Gassman is interested in hearing from all perspectives.

The immediate task from the Governor's budget was to trim General Purpose Revenue and positions. Governor Doyle wanted the cuts to be distributed fairly. Included in the budget were two new initiatives related to W-2. The first new initiative is the addition of an optional tier for Transitional Jobs. Transitional Jobs are working across the country. Participants are in jobs, earning a wage, but can still get W-2 benefits (childcare, Food Stamps, transportation, Earned Income Tax Credit (EITC), etc.) to help better support their families. Secretary Gassman will set up a taskforce to help implement the Governor's Transitional Jobs initiative. The taskforce representatives will look at national data, and examine states where the Transitional Jobs program is successful. The taskforce will consist of legislators (from both parties), labor representatives, employers, Workforce Development Board members, W-2 agencies, and other stakeholders. The taskforce representatives will be appointed soon. Recommendations from the taskforce to DWD are expected by Aug 1st, 2003. Recommendations will focus on best practices for structure, how jobs are identified, and target participants. The second new initiative from the Governor's budget related to W-2 allows W-2 participant mothers to care for newborn infants for six months instead of the current three months. A savings of over \$4 million annually will be realized due to the expected decrease in childcare subsidies.

Secretary Gassman announced that Bettie Rodgers has been appointed as the new Division Administrator for DWS. Ms. Rodgers is a lawyer by training, with a master's degree in social work. She will start her DWS Administrator position mid-March.

CARES Subcommittee - Liz Green

For the WorkSET implementation update, Pat McDonnell distributed the approved Memorandum of Understanding between DWD and DHFS regarding aspects of the transfer of CARES to DHFS. Key points such as an outline of direction for automation of Temporary Assistance for Needy Families (TANF) and Childcare programs, a master customer index, and a timeline for activities were included with estimated completion of migration of employment programs and childcare to WorkSET by July 2004. DWD and DHFS agreed to work together to establish a plan of joint governance as needed. Each department will designate a co-contract administrator. DWD will continue to maintain the user manual, and perform security functions. Sole governance of CARES is scheduled to be in DHFS by July 2004. One C&I member expressed concern about the WorkSET project's timeline: is now the appropriate time to do the project, and should the timeline continue as currently planned?

Pat also distributed the WorkSET Plan. The project is underway. Different aspects of the project have been allocated among different workgroups. There was a request that the state re-send the invitation for workgroup volunteers, along with descriptions and focus of the different workgroups. Pat indicated that the workgroups

are accepting volunteers and more local agency representatives are encouraged. Some C&I members addressed concerns that the meetings will be held in Madison two or three times a week for three hours at a time. Budgets and travel restrictions create an obstacle for agencies volunteering for workgroups. Pat indicated that participants can participate in meetings with a mix of some in-person meetings along with some conference calls. Some weeks where there may not be a meeting and instead participants may be asked to focus on reading and reviewing materials, etc. Some C&I members expressed concerns that they were told conference calls were not acceptable. Pat said that this is not correct and he will speak with the team leaders to clarify this.

A question was asked about how much is being spent on the WorkSET engineering. Pat stated that \$1.5 million has been budgeted for the rest of this fiscal year as a line item in this year's operating costs. Approximately \$3.5 million to \$5 million is budgeted for the rest of the project in the next fiscal year. The money was transferred from CARES budget to cover this. The best information that DWD has at this point, is that we will be much better served, much more cost effectively by putting money into a new program than to continue with dated CARES architecture. A WorkSET webpage will be established soon and will contain minutes and issues from the workgroups. All are welcome to review and comment.

Caseload Information Subcommittee – Jerry Stepaniak

Jerry Stepaniak distributed projected expenditures and benefits reports. The projections are based on the average of all previous months' expenditures. Jerry cautioned that the reports don't identify what action agencies are taking to increase or decrease their expenditures. The Subcommittee is working with DWD staff on reports based on various scenarios and assumptions. The Subcommittee would like to use the projections to look back and compare projections to actual data to determine which projections are more accurate predictors.

The Subcommittee is working on an allocation methodology process, based on workload instead of caseload. Various cases, including benefits, FSET, childcare, and CMC cases are being considered for the workload methodology. The Subcommittee is reviewing a workload analysis done by Columbia County.

Joint Discussion of Governor's Budget – Mary Rowin

DWD staff are analyzing the budget to determine the full impact. They will have more information for future C&I meetings. C&I members asked for an updated version of DWD's budget related to TANF funds which was distributed at the November 2002 C&I meeting. This will be provided when it is ready.

C&I members discussed the Governor's Transitional Jobs initiative. There was some discussion about the difference between Transitional Jobs and Trial Jobs. Mary Rowin clarified that the employer reimbursement for Transitional Jobs is higher than for Trial Jobs. Also, the jobs are time limited and the employer is not expected to hire the participant afterwards. W-2 agencies will not be developing the jobs nor paying the subsidies to employers. Transitional Jobs may be a replacement for someone who would otherwise be in a Community Service Job. Transition Jobs will be a "real job" plus the participant can get additional training, and up to an additional \$4000 from EITC. It's considered a wage, not assistance, so it won't tick the W-2 clock unless the participant also enrolls in W-2. If the participant is in training, the hours worked will be reduced, but they will get a W-2 subsidy in the amount of 90% of their wages for the hours that they are in training. There was a question about what cost per placement was used for Transitional Jobs in the budget calculation. Mary indicated that DWD staff would research this.

Deb Hughes offered to compile any additional comments, questions, and/or concerns about Transition Jobs from W-2 agencies on behalf of the Policy Subcommittee.

Update on Service Delivery Initiative – Mary Rowin

Secretary Gassman is reviewing the Service Delivery Initiative reports, and has not made a recommendation yet. Updates will be provided at future C&I meetings.

Update on W-2 Re-Contracting – Joan Larson

The proposed date for the Request for Proposals (RFP) for new W-2 Contracts is scheduled to be issued in May, with Letters of Intent to Contract sent out in July. Agencies will have six weeks to respond to the RFP. Dates will be clarified after resolution of related issues, including performance standards. Joan anticipates clarification on the dates for future C&I meetings. A question was asked if the RFP will go out for a review and comment period as has been done in the past. Mary Rowin indicated probably not. In the past, comments received from the review and comment period focused on the W-2 program in general and the administration of the program at the state level. DWD is still open to receiving those comments, but this is not part of the RFP process. The new RFP will focus on the capacity of the agencies to deliver services and their ability to administer the program. The plan of W-2 services may be reviewed separately. Agencies who pass the Right of First Selection still need to submit a plan of W-2 services before W-2 Contracts are awarded, but DWD would assume that the agencies already have the capacity to serve. Further details on the RFP will be discussed at future C&I meetings and will be available on the DWD website.

Update on CORE – Margaret Erickson

Margaret Erickson discussed the Central Office Reporting System (CORE), which is DWD's replacement for the CARS payment and allocation processing system that is currently being phased in. DWD is comparing first quarter data from CARS to the new CORE data. They have looked at preliminary reports using CORE data and have found that they are very flexible, timely, and can be run multiple times in multiple fashions. In addition to CORE reports that are internal to CORE, they want to have a database processor similar to WIFRS that would be used to customize reports. The CORE system is a new way to issue payment checks. Agencies will still be getting reimbursed for the first quarter of Calendar Year 2003 based on reports from CARS. Checks will be issued based on CORE data in the second quarter.

Update on Job Center Standards – Sheryl Billups

Draft Job Center Standards were sent in a memo from Mary Rowin. Agencies are encouraged to review the draft Standards and send comments in writing to Sheryl Billups by March 21st. Sheryl provided background on the draft Standards. A group was formed last summer composed of DWD staff, WDB staff, representatives from the Technical College system, and W-2 representatives. An invitation to join the workgroup was extended about a year ago at the semi-annual Job Center Manager's meeting. The task of the workgroup was to review past Job Center Standards, update them and ensure that they conform to Workforce Investment Act standards. DWD also recognizes that there is not consistency across the state. One element of the draft Job Center Standards was to establish some elements of a comprehensive center. Another element consisted of building a basis for ensuring quality improvement in the Job Center system. The Malcolm Baldrige criteria for performance excellence were used as the basis for this. A comment was raised that there may be confusion about Job Center Standards vs. the "chartering" of Job Centers. Marilyn Putz (who is a member of the Job Center Standards workgroup) mentioned that John Collins' report, that referred to "chartering" of Job Centers, was written independently of the draft Job Center Standards, but the workgroup was aware of the report and discussed it. The two reports, and the different aspects contained in them address a continuum of activities – where we are, where we've been, and where we hope to go in the future.

Meeting adjourned.

NEXT MEETING DATE: **Friday, March 21, 2002**
 10:00 AM
 201 East Washington Ave.
 GEF 1, Room D203
 Madison